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## CHAPTER II

### NATIONAL INTELLIGENCE AND THE NATIONAL SECURITY ACT OF 1947

Beginning as early as 1944 preparations were under way for the transition from war-time intelligence to a permanent intelligence organization suited to our post-war needs.

In a series of discussions among the interested Government agencies as to how the country could most effectively organize its permanent, long-range, peace-time intelligence there was general agreement on some form of a central agency. There was, however, a sharp divergence of views as to the scope of the activities of such an agency, the authority it should enjoy, the manner in which it should be administered and controlled and where in the Government it should be located. These issues were resolved at that time through the creation by Presidential letter (See Annex No. 3) of the Central Intelligence Group, and then more definitely determined through the establishment of the Central Intelligence Agency by Congress in Section 102 of the National Security Act of 1947. (See Annex No. 4).

#### THE DUTIES OF THE CENTRAL INTELLIGENCE AGENCY UNDER THE NATIONAL SECURITY ACT

Section 102 (d) of this Act defines the duties of the Central Intelligence Agency as follows: -

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council --

"(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

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"(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

"(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: Provided, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: Provided further, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: And provided further, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

"(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

In these provisions the authors of the National Security Act showed a sound understanding of our basic intelligence needs by assigning to the Central Intelligence Agency three broad duties which had never before been adequately covered in our national intelligence structure. These duties are: (1) to advise the National Security Council regarding the intelligence activities of the government and make recommendations for their coordination; (2) to provide for the central correlation, evaluation and dissemination of intelligence relating to the national security; and (3) to assure the performance, centrally, subject to National Security Council direction, of certain intelligence and related functions of common concern to various departments of the Government.

The powers given to the National Security Council and the Central Intelligence Agency under Section 102 of the Act establish, in our opinion, the framework for a sound intelligence service for this country. Accordingly, we

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do not suggest any amendments to the Act and believe it would be unwise to tamper with this legislation until we have had further experience in operating under it. Throughout our report we stress the vital importance of giving effect to the real legislative intent through the effective exercise by the Central Intelligence Agency of those functions assigned to it by the Act. We refer particularly to the responsibility of the Central Intelligence Agency for the coordination of intelligence activities and the coordination of intelligence opinion in the form of national intelligence estimates.

In providing for a semi-autonomous highly centralized agency with a broad variety of intelligence responsibilities affecting various Government agencies, we have departed from the general pattern followed by other countries. There the tendency in most phases of intelligence has been to avoid such a degree of centralization. Under the conditions existing in the United States we believe that the degree of centralization proposed under the National Security Act can be justified, provided that the distinctive functions of the Central Intelligence Agency are handled according to their special requirements.

As one recommendation designed to offset the disadvantages of over-centralization in intelligence, we later propose in this report that the branches of the Central Intelligence Agency which are directly engaged in clandestine activities, such as secret intelligence, counter-intelligence, secret operations and the like, be given a great measure of autonomy as to internal administration, the control of their operations and the selection of personnel.

In this connection we have considered the arguments which have been frequently advanced that the functions of coordination and of evaluation, on the

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one hand, should be wholly divorced from collection and operations on the other. One argument is that the analyst will be overly impressed with the particular items of information which his own organization collects, as contrasted with the information reaching him from other sources. There is a further fear, partly substantiated by experience under the Central Intelligence Agency, that if the several functions are combined, there will be a tendency to neglect the coordinating responsibilities in favor of the more exciting field of operations. Finally, the point is made that by joining together a variety of operations whose security requirements are quite different, the possibility of providing effective security to those activities that require it most is thereby reduced.

We appreciate the weight of these arguments but do not feel that they are decisive. We believe that the recognition of the distinctive functions of the Central Intelligence Agency, and the handling of each one according to its special requirements and in proper relation to the over-all mission, would largely meet these objections. In particular, the granting of autonomy to the clandestine work and adequate emphasis on the important coordinating responsibilities of the Central Intelligence Agency would overcome the disadvantages of combining these functions in one organization.

#### CONTROL OVER THE CENTRAL INTELLIGENCE AGENCY

We do not agree with the argument, often advanced, that the Central Intelligence Agency, or at least its operating services, should be placed under the direct control of one of the executive departments of the Government, such as the Department of State or the National Military Establishment. The activities of the Central Intelligence Agency do not concern either of these departments

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exclusively. Moreover, the administrative arrangements of these departments are not well suited to the conduct of extensive secret foreign intelligence operations. The fact that in time of war secret activities are primarily of concern to the military is not, in our opinion, sufficient justification for placing them under military control in time of peace. The National Security Act is flexible enough and the authority of the National Security Council sufficiently broad to permit any necessary adjustments within the Central Intelligence Agency so that these operations will be responsive to the needs of the policy-making and operating departments of the Government, without subordinating them directly to these departments.

We have also considered the question whether the Central Intelligence Agency as a whole is properly placed in our governmental structure under the National Security Council. When the National Security Act was being drafted doubts were expressed whether a committee such as the National Security Council would be able to give effective direction to the Central Intelligence Agency. It was argued that the National Security Council was too large a body, would be preoccupied with high policy matters, and would meet too infrequently to be able to give sufficient attention to the proper functioning of the Central Intelligence Agency.

There is force to the criticism that a committee, no matter how august, is rarely an effective body for the direction of the current operations of another agency. It is true that the National Security Council cannot effectively assume the task of directing such current operations, and should not attempt to do so, except to the extent of assuring itself of compliance with its directives. However, the Council, whose chairman is the President and whose membership comprises the highest authority in the interested departments

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of the Government, can render effective service in determining the nature and scope of the activities of the Central Intelligence Agency within the framework of the National Security Act.

✓ We recommend, however, that provision should be made for closer liaison between the Central Intelligence Agency and the two members of the National Security Council on whom it chiefly depends: namely, the Secretary of State and the Secretary of Defense. We suggest that the Director of Central Intelligence be encouraged to seek current advice and continuing guidance from these two members of the National Security Council on matters which may not properly be the subject of its formal directives, or which have not reached the point of requiring such directives. Such close association would help counteract what we feel is a growing tendency for the Central Intelligence Agency to become a separate and independent agency of Government working to some extent in competition with, rather than for the benefit of, those departments of Government which are the primary users of what the Central Intelligence Agency should produce.

#### THE GENERAL MISSION OF THE CENTRAL INTELLIGENCE AGENCY

Unless the Central Intelligence Agency performs an essential service for each of these departments and coordinates their intelligence activities it will fail in its mission. The Central Intelligence Agency should not be merely another intelligence agency duplicating and rivalling the existing agencies, of State, Army, Navy and Air Force. It should not be a competitor of these agencies, but a contributor to them and should help to coordinate their intelligence activities. It must make maximum use of the resources of existing agencies; it must not duplicate their work but help to put an end to

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existing duplication by seeing to it that the best qualified agency in each phase of the intelligence field should assume and carry out its particular responsibility.

In the succeeding chapters of this report we will suggest concrete steps for giving effect to these general principles. In doing so we will start from the premise which we have stated above that the existing legislation affords a good basis on which to build a central intelligence service. Furthermore, as the most practical method of approach, we will examine what has been accomplished through the Central Intelligence Agency under this legislation and suggest as we go along the specific and, in some cases, fundamental changes which we consider desirable. In this way we will build upon what we now have rather than attempt to start anew and build from the ground up.

#### CONCLUSIONS AND RECOMMENDATIONS

(1) Section 102 of the National Security Act of 1947 establishes a framework for a sound intelligence system and no amendments to this Section of the Act are deemed necessary at this time.

(2) The Central Intelligence Agency is properly placed in our governmental structure under the National Security Council.

(3) The Central Intelligence Agency should be empowered and encouraged to establish through its Director closer liaison with the two members of the National Security Council on whom it chiefly depends, namely, the Secretaries of State and Defense. ✓

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